(c) whether Government are aware that a number of representations have been submitted by the Members of Parliament in this regard: if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI ANANDRAO VITHOBA ADSUL): (a) and (b) Only one such representation has been received, by National Insurance Company (NIC). The Provision of compassionate appointment has been discontinued by the Company with effect from 1.9.2002. In lieu of this a scheme of granting monitory compensation (lumpsum amount) to the legal heirs of the deceased has been introduced.

(c) One such representation has been received from the Hon'ble M.P. of Rajya Sabha recommending compassionate appointment to the dependent of the deceased employee at Solan Branch of NIC.

Loans to private sector

†2899. PROF. M.M. AGARWAL: Will the Minister of FINANCE be pleased to state:

(a) whether financial institutions under public sector have provided loans to the private sector for establishment of industrial project and small scale industries in Uttar Pradesh and Delhi during the last three years;

(b) if so, the details thereof, year-wise;

(c) the terms and conditions prescribed for the loans to be granted for above purpose and the manner in which these projects have been established with the help of these loans; and

(d) the details of the projects established in Uttar Pradesh and Delhi with the assistance of such loans during the said period?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI ANANDRAO VITHOBA ADSUL): (a) and (b) Yes, Sir. Details of loans sanctioned by Public Financial Institutions (namely SIDBI, ICICI Bank, EXIM Bank, IFCI, IDBI) to the private sector for establishment of

†Original notice of the question was received in Hindi.

industrial projects and small scale industries in Uttar Pradesh and Delhi during the last three years are as under:

(Rs. in crore)

Year	Uttar Pradesh	Delhi
2000-2001		
SIDBI	386.70	668.83
ICICI Bank	1731.18	2307.50
EXIM Bank	—	166.44
IFCI	49.88	—
IDBI	536.05	547.05
2001-2002		
SIDBI	487.49	703.36
ICICI Bank	2433.86	1941.86
EXIM Bank	45.00	266.60
IFCI	5.00	—
IDBI	218.67	544.35
2002-2003		
SIDBI	254.50	1200.5
ICICI Bank	1127.07	1283.34
EXIM Bank	45.97	622.08
IFCI	8.00	—
IDBI	36.71	220.39

(c) The terms and conditions prescribed for loans vary from institution to institution and are set out briefly below:

SIDBI provides assistance to small scale units through indirect and direct finance schemes. The norms under the refinance (indirect) schemes are generally prescribed by the Primary Lending Institutions concerned. As regards directs assistance schemes of SIDBI for small scale units such as Project Finance Scheme (PFS), generally, debt equity ratio (DER)

not exceeding 2 : 1 is applicable. Repayment period and moratorium is fixed taking into account the debt servicing capacity of the borrowing unit in respect of Equipment Finance Scheme (EFS), the DER is generally note more than 2 : 1 for the project and 1.5 : 1 for the company, as a whole. As regards special schemes such as Technology Development and Modernisation Fund Scheme (TDMFS), the lending norms/terms are relatively more liberal. As regards norms/parameters, a flexible approach is adopted and decisions are taken based on the overall assessment of the project.

ICICI Bank Ltd. The Interest rate applicable to financial assistance for the projects is specified depending on the rating assigned based on Internal risk perception of the projects. The stipulated security package includes mortgage on fixed assets on the project and in specific cases, personal guarantee(s) from the promoters. The repayment schedule is fixed based on projected cash flows out of the project and usually commences after envisaged commissioning of the project and start of commercial operations. To ensure fiscal discipline in project commissioning, disbursements are usually made depending on achievement of specific project related milestones and only after means of finance is tied up. The progress of the project is monitored through periodic site visits, discussion with promoters, scrutiny of project documents and certifications by competent authorities.

EXIM Bank offers export credit facilities to facilitate exports on deferred payment terms, apart from supporting overseas construciton, consultancy and turnkey projects.

IFCI insists on securities, like pari-passu charge on fixed assets, personal guarantee, pledge of shares, first charge on fixed assets, etc.

IDBI while extending loans to industrial projects, IDBI stipulate certain terms and conditions, such as rate of interest, repayment period, security creation, personal and corporate guarantees, etc. to ensure timely implementation of the projects within the estimated cost and to enable the lenders to closely monitor the projects during the pendency of assistance.

The other conditions which are stipulated are project specific in nature and could relate to the composition of the Board of directors of the company, raising of equity contribution by the promoters, achieving financial closure

for the project, furnishing of various undertakings in connection with project implementation, etc.

The amount of loans sanctioned by FIs comprise a part of the overall means of financing for the project. The loans from FIs are generally intended to help the companies to acquire fixed assets, namely land, buildings, plant and equipment, fixed assets etc. essential to set up the project and also to meet the other long term funding requirements of the projects.

(d) SIDBI provides assistance of small scale units through indirect and direct finance schemes. The projects (industries) for which loans have been sanctioned by Financial Institutions are paper, ceramics, financial services, construction, real estate, Rubber products, Telecom, Power, Hospital, Electrical Equipments, Electronics, Hotel, Food Products, Automobiles, Services, Drugs & Pharmaceuticals, Power, Sugar, Iron & Steel, Textile Mandate Fibres, Chemicals, Paper & Paper Products, Fertilizers, Clocks, Printing, Machinery, Plastic, Computer Software, ceramics.

As regards the names of beneficiary companies and loan amount sanctioned to each cannot be divulge in accordance with the practices and usages customary amongst the banks and in conformity with provisions of statutes governing the financial institutions as also the provisions of the Public Financial institutions (Obligations as to Fidelity and Secrecy) Act, 1983.

Report of Banchu Committee of black money

†2900. SHRI ISAM SINGH: Will the Minister of FINANCE be pleased to state:

(a) whether the Banchu Committee has published its report with reference to origin of black money in the country from 1960 to 1980; and

(b) if so, the measures Government propose to take to check it?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI ANANDRAO VITHOBA ADSUL): (a) The Direct Taxes Enquiry Committee (Wanchoo Committee) in its final Report of December, 1971 estimated black income at Rs. 700 crores for the year 1961-62, Rs. 1000 crores for the year 1965-66 and Rs. 1800 crores for the year 1968-69.

†Original notice of the question was received in Hindi.